which an unsecured loan given by banks and financial institutions has to be repaid;

(b) if so, whether there is any proposal to increase the period upto 10 years;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Reserve Bank of India has not prescribed any time limit for repayment of unsecured loan given by banks and financial institutions. Stipulation regarding period of loan and its repayments is governed by loan policies as approved by the concerned Banks' Board of Directors, their asset liability profile, risk management policies etc.

(b) to (d) Do not arise.

Debt GDP ratio

221. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether according to the United Nations Survey, India has transformed from a moderate to low indebted country with a debt-GDP ratio of 20 per cent; and

(b) whether Government propose to leverage this ratio by raising additional debt to subserve the urgent needs for funds for infrastructure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) According to Global Development Finance (GDF)-2003 published by the World Bank, India has transformed from 'moderately indebted' country to 'less indebted' category since 1999. The Debt-GNP ratio in 2001 was 20.5 per cent.

(b) The Government intends to continue with the policy of prudently managing the external liabilities and of proactively liquidating relative high cost component of our external debt portfolio, encouraging longer maturity profiles and non-debt creating financial flows.